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BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
OF THE STATE OF CALIFORNIA

In the Matter of:)	
)	
THE COMMISSIONER OF BUSINESS OVERSIGHT,)	STATEMENT IN SUPPORT OF ORDER
)	LEVYING ADMINISTRATIVE PENALTIES
)	PURSUANT TO CORPORATIONS CODE
Complainant,)	SECTION 25252
)	
v.)	
)	
PYRAMID SCREENING TECHNOLOGY,)	
INC. doing business as BULLETHIRE, and)	
STEVEN GANESH,)	
)	
Respondents.)	
)	

Jan Lynn Owen, the Commissioner of Business Oversight (Commissioner), alleges and charges as follows:

I.
STATEMENT OF FACTS

At all relevant times, Pyramid Screening Technology, Inc. doing business as BulletHire (Pyramid Screening) was a California corporation with a primary place of business at 5994 West Las Positas Boulevard, Suite 225, Pleasanton, California 94588.

2. At all relevant times, Steven Ganesh (Ganesh) was the chief executive officer of Pyramid Screening, with a primary place of business at 5994 West Las Positas Boulevard, Suite 225, Pleasanton, California 94588.

3. Beginning before August 6, 2009, Pyramid Screening and Ganesh offered and sold securities in the form of notes and shares of stock in Pyramid Screening. The purported purpose of the solicitation and sales was to finance the development of a company offering a job board for various industries and positions.

4. On January 7, 2010, the Commissioner served a Desist and Refrain Order on Pyramid Screening, Ganesh, and Erik Berger (Berger). The Desist and Refrain Order found that Pyramid Screening, Ganesh and Berger had offered securities in this state without a permit or other form of qualification. They were ordered to desist and refrain from the further offer or sale of securities, including but not limited to shares of stock, unless and until qualification or unless exempt.

VIOLATION OF CORPORATIONS CODE SECTION 25110

(Unqualified Offer and Sale of Securities)

5. Following service of the Desist and Refrain Order on January 7, 2010, Pyramid Screening and Ganesh offered and sold securities in this state without qualification or exemption in the form of notes to P.A. Real Estate 401k Plan and shares of stock to the following individuals:

- 1) P.H.
- 2) D.W.
- 3) D.G. and K.G.
- 4) N.H.
- 5) R.D.
- 6) B.P.

6. Section 25110 of the Corporate Securities Law of 1968 (CSL) prohibits the unqualified offer or sale of non-exempt securities in this state.

VIOLATION OF THE DESIST AND REFRAIN ORDER

(Unqualified Offer and Sale Following the Desist and Refrain Order)

7. After service of the Desist and Refrain Order on January 7, 2010, Pyramid Screening and Ganesh continued to offer and sell non-exempt securities to these individuals in the form of notes or shares of stock without a permit.

8. These offers and sales of securities following January 7, 2010 were in violation of the Desist and Refrain Order.

VIOLATION OF CORPORATIONS CODE SECTION 25401

(Misrepresentations and Omissions of Material Facts)

9. In connection with the offer and sale of these securities to these individuals following January 7, 2010, Pyramid Screening and Ganesh omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made not misleading. Specifically, Pyramid Screening and Ganesh omitted to inform investors that the Commissioner had issued a Desist and Refrain Order finding that they had offered securities in this state without a permit or other form of qualification, and ordering them to desist and refrain from the further offer or sale of securities, including but not limited to notes and shares of stock, unless and until qualification or exempt.

10. Corporations Code section 25401 prohibits the offer or sale of securities in this state by means of written or oral communications that include untrue statements of material fact or omits material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.

II.

ORDER LEVYING ADMINISTRATIVE PENALTIES

(For Violations of Corporations Code Sections 25110 and 25401 and the Desist and Refrain Order)

11. Corporations Code section 25252 authorizes the Commissioner to issue an order levying administrative penalties against any person for willful violations of any provision of the CSL and any rules promulgated thereunder. Specifically, Corporations Code section 25252 provides, in relevant part:

The commissioner may, after appropriate notice and opportunity for hearing, by orders, levy administrative penalties as follows:

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(a) Any person subject to this division, other than a broker-dealer or investment adviser, who willfully violates any provision of this division, or who willfully violates any rule or order adopted or issued pursuant to this division, is liable for administrative penalties of not more than one thousand dollars (\$1,000) for the first violation, and not more than two thousand five hundred dollars (\$2,500) for each subsequent violation.

12. Based on the foregoing findings of fact, as set forth fully above, Pyramid Screening and Ganesh willfully violated the following:

A) Corporations Code section 25110 by offering and selling notes or shares of stock that are not qualified by the Department or exempt to the following investors:

- 1) P.H.
- 2) D.W.
- 3) D.G. and K.G.
- 4) P.A. Real Estate 401k Plan
- 5) N.H.
- 6) R.D.
- 7) B.P.

B) Corporations Code section 25401 by making material omissions in association with the offer and sale of notes or stock to the following investors:

- 1) P.H.
- 2) D.W.
- 3) D.G. and K.G.
- 4) P.A. Real Estate 401k Plan
- 5) N.H.
- 6) R.D.
- 7) B.P.

C) The Desist and Refrain Order issued by the Commissioner on January 7, 2010, by continuing to offer and sell unqualified non-exempt securities to the following investors:

- 1) P.H.
- 2) D.W.

- 3) D.G. and K.G.
- 4) P.A. Real Estate 401k Plan
- 5) N.H.
- 6) R.D.
- 7) B.P.

WHEREFORE, good cause showing, and pursuant to Corporations Code section 25252, the Commissioner prays for an order levying administrative penalties against Pyramid Screening Technology, Inc. doing business as BulletHire and Steven Ganesh, jointly and severally, as follows:

A) That pursuant to Corporations Code section 25252, the Commissioner levy administrative penalties of \$1,000.00 for the first violation of Corporations Code section 25110 and \$2,500.00 for each subsequent violation, as listed below, for a total amount of \$16,000.00.

- 1) P.H. - \$1,000.00
- 2) D.W. - \$2,500.00
- 3) D.G. and K.G. - \$2,500.00
- 4) P.A. Real Estate 401k Plan - \$2,500.00
- 5) N.H. - \$2,500.00
- 6) R.D. - \$2,500.00
- 7) B.P. - \$2,500.00

B) That pursuant to Corporations Code section 25252, the Commissioner levy administrative penalties of \$1,000.00 for the first violation of Corporations Code section 25401 and \$2,500.00 for each subsequent violation, as listed below, for a total amount of \$16,000.00.

- 1) P.H. - \$1,000.00
- 2) D.W. - \$2,500.00
- 3) D.G. and K.G. - \$2,500.00
- 4) P.A. Real Estate 401k Plan - \$2,500.00
- 5) N.H. - \$2,500.00
- 6) R.D. - \$2,500.00
- 7) B.P. - \$2,500.00

C) That pursuant to Corporations Code section 25252, the Commissioner levy administrative penalties of \$1,000.00 for the first violation of the Desist and Refrain Order and \$2,500.00 for each subsequent violation, as listed below, for a total amount of \$16,000.00.

- 1) P.H. - \$1,000.00
- 2) D.W. - \$2,500.00
- 3) D.G. and K.G. - \$2,500.00
- 4) P.A. Real Estate 401k Plan - \$2,500.00
- 5) N.H. - \$2,500.00
- 6) R.D. - \$2,500.00
- 7) B.P. - \$2,500.00

D) The total amount of administrative penalties for Pyramid Screening and Ganesh's violations of Corporations Code sections 25110 and 25401 and the Desist and Refrain Order is \$48,000.00.

Dated: May 9, 2018
Sacramento, CA

JAN LYNN OWEN
Commissioner of Business Oversight

By _____
TIMOTHY L. Le BAS
Senior Counsel
Enforcement Division